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Statement of

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Nonfarm payroll employment increased by 151,000 in August, and the unemployment rate remained at 4.9 percent. Employment continued to trend up in several service-providing industries.

Incorporating revisions for June and July, which reduced nonfarm payroll employment by 1,000 on net, monthly job gains have averaged 232,000 over the past 3 months. In the 12 months prior to August, employment growth averaged 204,000 per month.

Employment in food services and drinking places continued to trend up in August (+34,000). Over the year, the industry has added 312,000 jobs.

The social assistance industry added 22,000 jobs in August, mostly in individual and family services (+17,000).

Employment in professional and technical services edged up by 20,000 in August, roughly in line with the average monthly gain over the prior 12 months (+24,000).

Employment in financial activities continued on an upward trend in August (+15,000), with a gain of 6,000 in securities, commodity contracts, and investments. The financial activities sector has added 167,000 jobs over the year.

Health care employment continued to trend up over the month (+14,000), but at a pace well below the average monthly gain over the prior 12 months (+39,000). In August, hospitals added 11,000 jobs, and employment in ambulatory health care services trended up (+13,000). A job loss in nursing and residential care facilities (-9,000) offset a gain in July.

Mining employment continued on a downward trend in August (-4,000). Although job losses have moderated in the last 3 months, employment in mining has fallen by 223,000 since a peak in September 2014.

Employment changed little over the month in several other industries, including construction, manufacturing, wholesale trade, retail trade, transportation and warehousing, temporary help services, and government.

Average hourly earnings of all employees on private nonfarm payrolls were up by 3 cents in August to \$25.73. Over the past 12 months, average hourly earnings have risen by 2.4 percent. From July 2015 to July 2016, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 0.9 percent (on a seasonally adjusted basis).

In August, most major labor market measures from the survey of households continued to show little or no change. The unemployment rate was 4.9 percent for the third consecutive month and has shown little net movement during the past year. There were 7.8 million unemployed persons in August, about the same as a year earlier. In August, 2.0 million unemployed persons had been searching for work for 27 weeks or more; these long-term unemployed accounted for 26.1 percent of the unemployed, little changed from a year earlier.

Both the labor force participation rate, at 62.8 percent, and the employment-population ratio, at 59.7 percent, were unchanged over the month. Among the employed, 6.1 million worked part time for economic reasons in August, little changed from July. (These involuntary part-time workers would prefer to work full time, but had their hours cut or were unable to find full-time jobs.)

Among people who were neither working nor looking for work in August, 1.7 million were marginally attached to the labor force, about the same as a year earlier. Discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, numbered 576,000 in August, also about the same as a year earlier. (Marginally attached to the labor force refers to those who had not looked for work in the 4 weeks prior

to the survey but wanted a job, were available for work, and had looked for a job within the last 12 months.)

In summary, nonfarm payroll employment increased by 151,000 in August, and the unemployment rate remained at 4.9 percent.